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TAGS: AORC IAEA KNNP PREL UN JA IR
SUBJECT: IO A/S BRIMMER,S FIRST CALL ON DG AMANO AND
MEETINGS WITH IAEA REPS

Classified By: Amassador Glyn T. Davies for reasons 1.4 b and d

Summary

- 11. (C) IO A/S Esther Brimmer, accompanied by IO DAS Nerissa Cook, was among the first to welcome newly instated IAEA Director General Yukiya Amano on his first day in office December 1. She assured Amano of full U.S. support to make his tenure a success, for which Amano was grateful. Amano outlined his main objective as DG as addressing global issues through the promotion of nuclear technology and nonproliferation. While his first order of business was to get the IAEA internal house in order, the new DG planned to be in Washington in January following a call on the UN SYG as well as in April for the Nuclear Security Summit. Asked how the U.S. could help in the next six months, Amano cited nuclear applications as an area which could win broad Member State "buy-in." He stressed the need for "balance" among Agency pillars so as to overcome polarization among Member States and sought to focus on cancer control issues on which there was a broad convergence of views. Amano also highlighted upgrading the IAEA laboratories at Seibersdorf as priority issue for his first term and looked to U.S. support, in addition to wider support among Member States. He further noted that he would need U.S. support with the GOJ to ensure continued Japanese support for the Agency. Commenting on recent developments in Iran, Amano characterized his role as DG as technical implementation of safeguards. In contrast to ElBaradei, Amano explicitly did not see it as his job to provide political advice to Member States on passing resolutions or imposing sanctions. This tracks with what Amano has told other USG interlocutors previously.
- 12. (SBU) During her visit, A/S Brimmer also met separately November 30 with a group of key Ambassadors and Mission representatives on IAEA resourcing issues, including the Finnish Chair of the Working Group on the Financing of the Agency. The Dutch Ambassador expressed strong support for a budget increase and the UK was also notably more forward leaning than in the past. Participants, all from OECD countries, acknowledged that G-77 solidarity on technical cooperation and opposition to increases for nuclear security would need to be countenanced, while Canada cited more narrowly targeted use of safeguards resources as a prerequisite to a budget plus-up. End Summary.

Amano's First Day Goals

his first day in office December 1, IO A/S Brimmer inquired about his vision for the Agency and the challenges and opportunities that lay ahead. Amano noted that his first order of business was to establish good working relationships with Agency staff. In a meeting that afternoon, he had outlined his expectations to staff - an Agency in good order in which he enjoys their support, enabling him to be operational as DG as soon as possible. Amano did not plan any radical changes in IAEA management, but would seek to make improvements where he could. He had already reassigned the Chef de Cabinet to the DG, former Dutch diplomat Antoine Van Dongen, so as to replace him with a capable individual from a developing country, and saw this position as playing a coordinating role across departments. Amano said his highest priority was also to meet with Member States, whom Amano stressed should not be confronted with surprises about his views or actions. The new DG planned several trips, first to Nigeria for a cancer control project and then the second week of January 2010 to meet with UN SYG Ban Ki Moon and visit Washington. Ambassador Davies offered assistance in coordinating the DG's Washington calls. Amano sketched out a calendar of thematic emphases: He would go to the World Economic Forum in Davos in February to promote peaceful nuclear applications; anticipated that the March Board of Governors meeting would be dominated by Iran safeguards; would participate in the Nuclear Security Summit in Washington in April; would emphasize the IAEA budget at the June Board; and planned to visit Hiroshima and Nagasaki around the time of the anniversary of their WWII bombing. noted that he did not view nuclear disarmament as his principal job (Vienna was not a substitute for Geneva) and rejected any linkage or conditioning of progress on

nonproliferation to the disarmament agenda, or vice versa, but believed progress on disarmament would improve the atmosphere.

- 14. (C) Amano explained that his overriding objective (and the reason he had sought the position of IAEA DG) was to global issues through the use of nuclear technology." would include nonproliferation, enhancing nuclear security, meeting energy needs, and IAEA contributions in areas such as human health (especially cancer control) and water and food security. He stressed the need for "balance" among Agency priorities and noted that support for nuclear applications assures "buy-in" by all countries for the Agency's missions. In a further effort to overcome polarization among Member States, Amano planned to devote the Scientific Forum on the margins of the 2010 IAEA General Conference to IAEA programs on cancer therapy, an issue on which needs are apolitical and "polarization" among Member States could be avoided. A/S Brimmer supported the DG's goal of overcoming North-South divisions by finding commonalities. She noted that promotion of peaceful uses through projects such as the cancer therapy center in Nigeria could help bridge gaps. Amano cited the personal commitment of the Nigerian First Lady to this cause. Focusing on a small area of the Agency's work in nuclear applications, such as cancer therapy, would also enhance the IAEA's visibility, he added.
- 15. (C) Reviewing the calendar, Amano took note of the Nuclear Security Summit and NPT Revcon sandwiched between the March and June Board sessions. A/S Brimmer agreed that it would be a busy six months on nonproliferation issues and asked what the U.S. could do to help. Amano advised that all areas of IAEA work need support and that demonstrating interest in nuclear applications would be a particular inducement to other countries. Helping newcomers to nuclear power would also be positive, though he acknowledged proliferation risks. Amano further noted that he would like to meet with those working on nuclear security at the April Summit. He cited upgrading the IAEA labratories at Seibersdorf as long overdue and somehing he hoped to accomplish during his four-yearterm as DG. It was disturbing that this issue wich affects the IAEA's ability to implement safeguads was still unresolved, he opined. Amano acknoledged the financial contributions to the Safegurds Analytical Lab (SAL) from the United States, Japan, and Germany. While our

help was essentia to starting and completing the upgrades, Amano aso hoped for wider support for financing and impementation so that this would not be perceived as project of only a few countries.

16. (C) Morebroadly, Amano noted that the World had heard exactly what it wanted to hear in the President's Prague speech last April and now it was time for concrete results to strengthen the NPT. A/S Brimmer highlighted NPT issues as very important to the President and flagship issues for his Administration, adding that the U.S. would reinforce its commitment to nonproliferation in coming months. A/S Brimmer also queried Amano about the new Japanese government's support, in concrete terms, for the IAEA, prompting Amano to quip that he needed U.S. support to get GOJ support (i.e., financial contributions). She further noted that in addition to promoting Amcit employment at the IAEA, the U.S. supported promotion of women with a view to gender balance, which Amano agreed was an important point. Concluding the meeting, A/S Brimmer pledged full U.S. support to make the new DG's tenure a success. Amano was grateful for U.S. support, without which the Agency "could not function," he said.

Amano on Iran

17. (C) Introducing his Special Assistant for Management, Satoshi Suzuki, who had been seconded by Japan, Amano explained how the news of Iran's announcement the previous weekend that it would build 10 new enrichment facilities had led to immediate in-house consultations. Crediting Suzuki, Amano said he as DG had been poised to respond at his first press availability upon taking office the morning of December 1 to the effect that Iran had not formally informed the IAEA of its plans and that the Agency would follow the issue. Amano expected that the March Board session would focus on Iran. The new DG also provided insight on how he sees his role on Iran. It is up to Member States whether to adopt a

Board resolution, report Iran to the UN Security Council, or impose sanctions, he opined, "It is not my role to give advice on this." Rather, the DG's job was to provide objective information to Member States, implement safeguards, and to ask Iran to respect IAEA resolutions. (Comment: This tracks with what Amano has told USG interlocutors several times previously. In contrast to former DG ElBaradei, Amano does not see himself as a party to or facilitator of P5-plus-1 negotiations with Iran. Having served as the IAEA Governor of Japan and Board Chair, Amano is acutely conscious of staying in his technical lane as IAEA Director General. While this is a welcome and largely positive change, it also means that Amano is unlikely to play as proactive a brokering role as ElBaradei did on issues such as the Tehran Research Reactor agreement. Nor is Iran likely to readily trust Amano playing such a role. End Comment.)

Budget Issues

- 18. (SBU) During her visit A/S Brimmer also had a positive discussion November 30 on management and efficiency issues at the IAEA with Ambassadors and representatives from the UK, Japan, Canada, Finland and the Netherlands. The Dutch Ambassador was not shy about expressing his country's support for a larger IAEA budget, noting that DG Amano was taking over "an under-resourced organization." This stand would normally make the Netherlands an outlier among EU states, but the UK Ambassador went so far as to agree that perhaps there was "a goodish case to say the Agency was a wee bit under resourced" (a modest claim, but very different stance from the UK's staunchly zero growth position in budget negotiations earlier this year).
- 19. (SBU) The Finnish Ambassador, Chair of the Working Group on Financing the Agency, reiterated her desire to focus mainly on 2011 during upcoming budget discussions in January. She acknowledged a strong national position in favor of a budget increase, but warned that her position as Chair would

require a more neutral approach. She agreed with A/S Brimmer that while the G-77 often speaks as one, there are enough divisions among the ranks to create complexities in any debate. (She offered the recent Iran resolution as an example of split G-77 support.) At the same time, participants pointed out overwhelming G-77 solidarity on Technical Cooperation (TC), leading to the recent withdrawal of a TC project to implement results-based management (RBM). Participants agreed that TC is a leading political issue at the IAEA and that attempts to improve it -- such as RBM -often come up against a stone wall of G-77 resistance. The UK Ambassador cited UNODC's budget crisis as an example of what can happen when Member States start saying, "I'll only pay for what I'm interested in." Further on budget, participants noted that the G-77 had rejected Nuclear Security as a Statutory activity of the IAEA. The Canadian DCM considered this notion ludicrous, yet nevertheless a huge obstacle to budgetary increases for Nuclear Security.

- 110. (SBU) A/S Brimmer also sparked a discussion on high-level staffing at the IAEA ad the opportunities that lay ahead in 2010 as the majority of DDGs end their contracts and DG Amano is in a position to bring in new mangers. Participants agreed that this could be a articular boon for reforming the Technical Coopeation Department.
- 111. (SBU) On safeguards resouces, the Canadian representative asserted the need to take a critical look at everything the IAEA is doing, as exemplified by the large portion of the Safeguards budget spent on monitoring Canada, Japan and Germany. He argued that this misguided practice should lead to a serious look at developing a new approach to the Safeguards function. (Comment: In fact, the IAEA spends twice as much on safeguards in Canada than in DPRK, and five times as much in Japan than in Iran. The Department of Safeguards has been working for several years on a state-level, information-driven approach to arrive at assurance about the correctness and completeness of states' declarations, and thereby better target safeguards resources. But rapid further movement in this direction would need to be carefully modulated in light of likely resistance from developing countries. End comment).

Peaceful Uses as Political Bridge, or Bypass

112. (U) A/S Brimmer's Vienna program concluded with dinner December 1 hosted by the Ambassador and attended by IAEA Secretariat officials of varying rank from several departments -- DDG/Management David Waller (U.S.), DDG/Nuclear Applications Werner Burkart (Germany), Secretary of Policy-Making Organs Kwaku Aning (Ghana), DG's Special Assistant for Science and Technology Graham Andrew (U.K.), Coordinator in the Office of the DDG for Technical Cooperation Oscar Acuna (Costa Rica), and Program and Budget Section Head Carlo Reitano (Italy). DAS Cook and IAEACouns participated. Aning emphasized that nearly three-quarters of Member States are developing countries that come to the IAEA for only two things - help with nuclear applications including power, and Technical Cooperation. Burkart, Acuna and Reitano illustrated in different ways the awkward fit of the IAEA and nuclear applications into development thinking and policy in most capitals, and suggested solutions. While thanking the U.S. for its support of a budget increase, Andrew noted that the 5.4% increase for 2010 would require the Agency to trim its planned support for nuclear power newcomers, in particular. Andrew also emphasized that intractable political issues with dimensions beyond the nuclear agenda afflict relations in the Agency. Waller, nonetheless, affirmed that the content and tone of Obama Administration statements in the Board and elsewhere are achieving a significant improvement in the atmosphere here. The strong message of the discussion was: genuine U.S. contributions to advance apolitical peaceful uses of nuclear energy for human well-being can improve the impact of the Agency as well as relations between Member States; however, some political divisions -- over Israel's status outside the

NPT or suspicion that the Iran case shows how any nuclear have-not could find itself "punished" for its ambitions -- cannot be healed purely within the IAEA.

 $\underline{\P}13.$ (U) A/S Brimmer cleared this message DAVIES